

**AIRTRAX**

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*Doc. 95-42*

September 6, 1989

The Honorable Alfred C. Sikes  
Chairman  
Federal Communications Commission  
1919 M Street, Northwest  
Room 814  
Washington, D. C. 20554

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF SECRETARY

Re: A. C. Nielsen Company's request to use AMOL on Line 22

Dear Mr. Chairman:

We have received a copy of Nielsen's letter to you of August 31, 1989.

The issues in this proceeding are complicated and deserve the kind of comprehensive treatment which we have provided and will provide in response to DA 89-1060. But, the unusual tone of the letter from Nielsen's President, and the fact that a company the size of Nielsen is complaining of a "monopoly" on the part of a small, technology-oriented entrepreneur such as Airtrax, requires some brief reply on our part.

To facilitate our reply we have numbered the six paragraphs in Nielsen's letter, and I will respond to each paragraph in order.

1. Nielsen is in the television audience ratings business and their AMOL system on Line 20, where they have been for more than 10 years is part of it. We have been in development, testing and demonstration of our commercial verification business on Line 22 since 1986. Nielsen has admitted in their attorney's August 22, 1989 filing that we are in different businesses. We urge you, in the strongest terms, not to take action on Nielsen's August 14, 1989 special temporary authority request, as any introduction of their existing AMOL on Line 22 will in our opinion initiate a process whereby Airtrax and its customers, present and prospective, could eventually be excluded from receiving Airtrax services.

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2. We applaud the Commission's request for a meeting this Thursday, and we plan to attend and speak freely with your staff and answer all questions you have. As Nielsen's request is the first purposed use of Line 22 for a purpose other than commercial verification, and Nielsen is not a small start-up company, Nielsen's request raises issues which have not been previously dealt with by the Commission's staff in the context of a Line 22 request. As you know, Nielsen is the only national ratings service and is the only operating Line 20 line-up monitoring service, i.e. AMOL. Before a company as large and market-dominant as Nielsen is allowed to expand to a second line of television signal, we believe due consideration must be given to the far-reaching policy implications that are raised by Nielsen's request.
3. Nielsen states in its August 31 letter that the syndication industry has indicated that a more efficient line-up system is needed. But the television advertisement marketplace (including syndicators) has indicated to Airtrax that commercial verification and electronic reporting from stations and networks to advertisers and agencies is also a priority to stations, advertisers and agencies. Therefore a direct conflict is created by Nielsen's request to move AMOL to Line 22, between two different broadcast services. We applaud the FCC and its staff for understanding the significance of this issue, and issuing a Public Notice for comment on this matter. We want to assure you that Airtrax in no way wants to prevent improvements to national ratings business. But in our opinion, Nielsen has not sufficiently justified that Line 22 is the only solution to their AMOL stripping problem, when their AMOL literature and FCC filings discuss other available solutions (e.g., more widespread use of "in-station decoders" or modification of station equipment).
4. Airtrax claims have substantial merit, as we have demonstrated and will continue to demonstrate in our filings in this matter. The public has not been "silent," as Nielsen's President suggests, but has spoken up in filings to the FCC favoring a comprehensive examination of Nielsen's request.

We believe Nielsen's STA request is effectively the same as Nielsen's original request for general Line 22 approval and, therefore, until all public comments are in and a full understanding of the business and market structural implications of Nielsen's request are debated on its merits, we believe that this STA request should be deferred.

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5. Contrary to Nielsen's President's letter, we have not requested any undeserved business advantage, as we would like to point out to the FCC that there is a second operating system for commercial verification using Line 22: Vidcode is also offering such services, and we have encountered them in the marketplace. We find it ironic that the only operating national television ratings service should accuse Airtrax of a monopolistic business practice.
6. We agree with Nielsen that the Commission should move as expeditiously as possible in resolving this matter.

We welcome the opportunity to meet with the FCC staff and believe that a thorough review of all the facts is in the public interest.

Sincerely yours,



Arnold M. Dubin  
President CEO, Airtrax

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The Honorable Patricia Diaz Dennis (by hand)  
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